Bailout Package for ESSAR Steel

1456. SHRI GURUDAS DAS GUPTA:
SHRI GAYA SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have announced a Rs. 2500/- crore conditional bailout package for ESSAR steel which envisages investment of Rs. 1700/- crore by domestic Financial Institutions; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE BANKING, REVENUE AND INSURANCE (SHRI KADAMBUR M. R. JANARTHANAN): (a) and (b) The information is being compiled and will be laid on the Table of the House to the extent available.

Reimbursement of Amount Incurred under Externally Aided project to Himachal Pradesh

1457. SHRIMATI CHANDRESH KUMARI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have been requested to reimburse Rs. 3.90 crore to the State Government of Himachal Pradesh incurred by the latter under externally aided project NAEP-III;

(b) if so, the details thereof;

(c) whether Government have since reimbursed the amount as in (a) above to State Government; and

(d) if so, the details thereof and if not, when the same is likely to be refunded?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (d) Information is being collected and will be laid on the Table of the House.

Measures for Tackling Financial and Fiscal Problems

1458. SHRI YADLAPATI VENKAT RAO:
DR. ALLADI P. RAJKUMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether India could face a serious balance of payment cirsis in the wake of gloomy economic scenario; and

(b) if so, the corrective measures taken to tackle the financial anf fiscal problems in right earnest?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) Latest available information on India's balance of payments for 1998-99 indicates that despite a modest wiodening of the trade deficit, the net surplus under invisible continues to remain buoyant while in the capital account net inflows of US $ 4.2 billion under the Resurgent India Bonds have supplemented normal sources of external finance. As a result, the foreign currency assets of the RBI have increased by US $ 1.8 billion during the first eleven months of the current financial year to reach a level of US $ 27.8 billion at the end of February 1999.

As per the current indications, the BOP situation during the coming year is expected to remain manageable. However, the developments in the BOP are closely and continuously monitored with a view to undertaking suitably policy measures, if warranted.

Recovery of Arrears from Credit Card Holders

1459. SHRI JIBON ROY: Will the Minister of FINANCE be pleased to state:

(a) the total number of credit card holders and the amount involved in non-repayment of credit provided by the Nationalised banks to the credit card holders;

(b) the classification of these credit card holders according the period of non-repayment of the credit amount; and

(c) the steps being taken by the banks to recover the arrears of payment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) As reported by Reserve Bank of India (RBI), the total number of credit card holders as on 30.9.1998, were 7,44,324 and the amount involved in non-repayment of credit provided by the Nationalised Banks to credit card holders stood at Rs. 16,323.07 lakhs as on 30.9.1998.

(b) The RBI has reported that the classification of these credit card dues as on 30.09.1998, was as under:

No. of cardholders		Amount in Lakhs of Rs.
Below 6 month	28,349	2508.79
Above 6 months and upto one year	18,837	2454.88
Above one year	49,707	11359.40
	96,893	16323.07

(c) The RBI has reported that in order to recover the credit card arrears the banks have generally been taking the following steps:—

(i) Reminders by phones/letters are issued to the cardholders about their dues.

(ii) Marketing Managers/Recovery agents are appointed by some of the banks to contact the card holders.

(iii) Letters informing the cardholders about their liabilities and consequences like hot listing, legal action etc. are issued.

(iv) In case of continuing defaults, cards are hot listed, legal notices are served, intervention of employers of defaulting cardholders is sought.

(v) if there is not response to legal notice, summary suits are filed.

(vi) After obtaining orders from the court, warrants of attachment of movables are executed.

(vii) Recovery camps are conducted to recover the dues through negotiated settlements.

LIC branch in Ladakh Region of Jammu and Kashmir

1460. SHRI KUSHOK THIKSEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Ladakh region of Jammu and Kashmir has no LIC branch ofice despite giving Life Insurance Corporation a huge business;

(b) if so, whether Government propose to remove this disparity and to facilitate the people there by opening an LIC branch office in Leh;

(c) if so, when decision to that effect would be taken; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANARTHANAN): (a) to (d) Life Insurance Corporation of India (LIC) does not have a Branch Office in the Ladakh Region of Jammu and Kashmir. LIC has reported that they would consider opening a Branch Office in Ladakh Region during the financial year 1999-2000.